Rod Djukich

€ From: ∰ 3

Rod Diukich

Sent:

Thursday, April 06, 2000 3:46 PM

To:

Susumu Yamaguchi (E-mail)

Subject:

request for financial verification - re Gynco Electronics (H.K.) Ltd.

Mr. Yamaguchi:

We seek your confirmation as to whether the below said payment by Gynco Electronics (H.K.) Ltd. was in fact made to MEI in late 1997, for the respective technical specifications. None of records received by DVD CCCA contain any such information.

Awaiting your early reply.

Regards, Rod Djukich

----Original Message-----

From: Sarek Chan [mailto:sarek@gynco.com.hk]

Sent: Wednesday, April 05, 2000 7:25 PM

To: Rod Djukich Cc: Jonathan Chan

Subject: Re: email test 123...

- Ali MEI can do is a financial charle will not clerk if spees were such (and rewrite the DVD (1))

- . I diad end, who then factorer

Dear Rod Djukich,

I can receive you e-mail. Thank you for your effort.

Our latest finding may indicate that our former colleague, Mr. Patrick

Lau,

indeed sent two copies of NDA back to you and your side indeed return

the copies to Mr. Lau. And for the two CSS specifications, we have sent the

payment to you side on 23th December, 1997. My guess is, your side has sent

us the specifications along with the License Agreement. However, Mr. Lau did

not return the Agreement to you before so that we cannot receive the CSS Certification. Is that right? Our Chief Engineer in China found some documents about CSS recently, but we still do not know what it is since

have not get it yet. I will inform you once I know what it is. Once more,

thank you very much for your concern.

If you have any enquiries, please feel free to contact me.

Looking forward to your reply. Thank you!

Best Regards,

SAREK CHAN (MARKETING CO-ORDINATOR) GYNCO ELECTRONICS (H.K.) LTD.



DVD CCA 202020 HIGHLY CONFIDENTIAL ATTORNEY EYES ONLY

Rod Djukich

From:

Sent:

Rod Djukich

To:

Wednesday, April 05, 2000 1:47 PM Gynco Electronics (H.K.) Ltd. (E-mail)

Subject:

email test 123...

Dear Mr. Chan:

I received your fax regarding CSS. Thank you.

Since the fine print of your business card is very difficult to read via facsimile, I wish to confirm establishing email communication before I proceed to do so. Please contact us with any questions.

Best Regards,

Rad Djukich

DVD CCA Contract / Licensing Manager

DVD Copy Control Association 225 B Cochrane Circle Morgan Hill, CA 95037

Tel (408) 776-2014 ext.17 / Fax (408) 779-9291

NOTE

The information contained in this e-mail message is intended only for use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone (408) 776-2014, and destroy the original message. Thank you.

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FAX Transmittal

Phone: 408-776-2014, ext. 17 Fax: 408-779-9291 Email: Rod.Djukich@LMIcp.com

> 225 B Cochrane Circle Morgan Hill, CA 95037

Rod Djukich
DVD CCA Contract / Licensing Manager

Copy Control Association

"NA AN

DVD Copy Control Association 225 B Cochrane Circle Morgan Hill, CA 95037

Tel: (408) 776-2014 Fax: (408) 779-9291

Web Site: http://www.dvdcca.org

Date: <u>4</u> - <u>9</u> - 00

From: Rod DJukich

TO: _ SAREK CHAN

Company: GYNCO ECECTRONICS (H.K.) LTD.

Fax No.: 0/1852 2343 1937

Total Pages (Including transmittal): 6

Subject: CSS appliation process

Message: MR. CHAN, WE REQUIRE A NEW NDA

(ATTACHED) EXECUTED [PLEASE MAKE AN EXTRA

CUTY + SEND BOTH EXECUTED VERSIONS TO MY

ATTENTION. DO JON HAVE EMAIL?

The information contained in this fax is intended only for use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone at the number indicated above (408) 776-2014, and destroy the original message. Thank you.

DVD CCA 202023 HIGHLY CONFIDENTIAL ATTORNEY EYES ONLY

CONFIDENTIAL DISCLOSURE AGREEMENT

THIS ACREEMENT orbital into an of the	
THIS AGREEMENT, entered into as of the day of, 2000 between , having its principal office at	, by and
(hereinafter called "COMPANY")	and DVD
Copy Control Association, Inc., having its principal place of business at 225 B Cochra Morgan Hill CA 95037 (hereinafter called "DVD CCA").	ane Circle,
WITNESSETH:	
WHEREAS, COMPANY desires to receive certain information regarding Contents Scramb (hereinafter defined) to provide reasonable security to the contents of DVD discs we confidential or proprietary nature for the purpose described below under the terms and contained herein; and	hich is of
WHEREAS, DVD CCA is prepared to disclose to COMPANY such information; and	
WHEREAS, the purpose of such disclosures of such information is to allow COMPANY to such Contents Scramble System and/or to develop and/or design DVD players, DVD drescramble/authentication chips, DVD decoder cards, DVD disc formatters and DVD discharge compliant with CSS Specification (hereinafter defined).	ives. DVD
NOW, THEREFORE, in mutual consideration of the covenants and premises set forth h parties agree as follows:	erein, the
1. Definitions	
1.1 "Confidential Information" shall mean CSS Specification and any information recontents Scramble System. Confidential Information will be disclosed either: a) in writing b) by delivery of items 	elating to
 c) by initiation of access to information, such as may be contained in a database; or 	
d) by oral and/or visual presentation Confidential Information in tangible form is now and shall at all times be conslabeled by DVD CCA as "Confidential" or "Proprietary". If the Confidential Infor disclosed orally or through demonstration, it must be specifically designated as confirmation at the time of the disclosure and confirmed in writing to be recompany after the disclosure or demonstration.	mation is onfidential
1.2 "Contents Scramble System" shall mean the security system designed to provide resecurity to the contents of a DVD disc, as more fully described in the CSS Specificat	easonable ions.

of the CSS Specification as a fee to offset the expense for preparation and providing the CSS DVD CCA 202024 HIGHLY CONFIDENTIAL ATTORNEY EYES ONLY

1.3 "CSS Specifications" shall mean the specifications describing the implementation of the

Upon the execution of this Agreement, COMPANY shall select one or more of membership categories set forth in Exhibit A and shall pay to DVD CCA 500 US dollars per title and copy

Contents Scramble System.

Specification. Upon selection of all desired COMPANY membership categories and DVD CCA's receipt of the appropriate payment, DVD CCA shall deliver to COMPANY such portions of the CSS Specification which are designated for distribution to the membership categories selected by COMPANY. For this purpose, COMPANY shall designate a single contact person who shall receive all Confidential Information disclosed by DVD CCA. The initial such contact person shall be the individual designated in Exhibit B.

- COMPANY agrees to keep the Confidential Information disclosed to it by DVD CCA
 confidential, not to disclose the Confidential Information disclosed to it to any other party
 and to use it only for the purposes described herein.
- COMPANY shall disclose the Confidential Information received from DVD CCA only to its employees who need to know the same for the purposes described herein.

COMPANY may disclose Confidential Information received to it by DVD CCA to employees of its majority owned subsidiaries located in the same country where COMPANY is located who need to know the same for the purposes described herein upon prior written notice to DVD CCA. In the event that COMPANY discloses the Confidential Information received to it by DVD CCA to its majority owned subsidiaries located in different country(ies) where COMPANY is located, COMPANY shall obtain prior approval of DVD CCA for such disclosure.

- 5. COMPANY shall use the same degree of care in keeping the Confidential Information confidential as it uses for its own confidential information of a similar nature.
- 6. The obligations under this Agreement shall not extend to the Confidential Information that:
 - (a) was known to COMPANY at the time of its disclosure or becomes known to COMPANY without breach of this Confidential Disclosure Agreement; or
 - (b) is independently developed by COMPANY.
- COMPANY shall under no circumstances reverse engineer, decompile, disassemble or otherwise determine the operation of Confidential Information.
- 8. The terms and obligations of this Agreement shall terminate upon COMPANY's execution of the CSS Interim License Agreement.
- 9. Each party will comply with all applicable rules and regulations of the United States and Japan relating to the export or re-export of commodities, software and technical data insofar as they relate to the activities under this Agreement, and shall obtain an approval required under such rules and regulations whenever it is necessary for such export or re-export. COMPANY agrees that commodities, software and technical data provided under this Agreement are subject to restrictions under the export control laws and regulations of the United States of America and Japan, including but not limited to the U.S. Export Administration Act and the U.S. Export Administration Regulations and the Japanese Foreign Exchange and Foreign Trade Control Law, and shall obtain an approval required under such laws and regulations whenever it is necessary for such export or re-export.
- No license, express or implied, in the Confidential Information is granted to COMPANY other than to use the Confidential Information in the manner and to the extent authorized by this Agreement.
- 11. This Agreement shall be governed by and construed in accordance with the laws of the State

of California, U.S.A.

- 12. This Agreement shall represent the entire understanding between the parties with respect to the Confidential Information, and no waiver, alteration, or modification of any of the provisions hereof shall be binding on the parties unless made in writing and signed by duly authorized representatives of the parties. This Agreement shall be binding on the parties, their successors and assigns.
- 13. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS." DVD CCA MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EXPRESSLY DISCLAIMS IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION THAT MIGHT ARISE FROM THE CONFIDENTIAL INFORMATION OR COMPANY'S IMPLEMENTATION OR ATTEMPTED IMPLEMENTATION OF SUCH INFORMATION OR CONTENTS SCRAMBLE SYSTEM. DVD CCA FURTHER DISCLAIMS ANY WARRANTY THAT CONTENTS SCRAMBLE SYSTEM AND/OR THE CONTENTS OF THE CONFIDENTIAL INFORMATION, OR ANY PRODUCT IMPLEMENTING CONTENTS SCRAMBLE SYSTEM OR SUCH CONFIDENTIAL INFORMATION, IN WHOLE OR IN PART, WILL BE FREE FROM INFRINGEMENT OF ANY THIRD PARTY INTELLECTUAL PROPERTY OR PROPRIETARY RIGHTS.
- 14. IN NO EVENT SHALL DVD CCA OR THEIR RESPECTIVE DIRECTORS, OFFICERS, OR EMPLOYEES BE LIABLE TO FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF ANY CAUSE OF ACTION RELATING TO THIS AGREEMENT, OR BASED ON MAKING, USING, SELLING OR IMPORTING ANY PRODUCTS OF COMPANY THAT IMPLEMENT PROPRIETARY INFORMATION OR CONTENTS SCRAMBLE SYSTEM, WHETHER UNDER THEORY OF CONTRACT, TORT, INDEMNITY, PRODUCT LIABILITY OR OTHERWISE. IN PARTICULAR, AND WITHOUT LIMITATION, NEITHER DVD CCA OR THEIR RESPECTIVE DIRECTOR, OFFICERS, OR EMPLOYEES SHALL BE LIABLE FOR ANY LOSS SUFFERED AS THE RESULT OF A BREACH OF SECURITY AFFECTING CONTENTS SCRAMBLE SYSTEM, WHETHER OR NOT SUCH BREACH RESULTS FROM THE DELIBERATE, RECKLESS OR NEGLIGENT ACTS OF PERSON OR ENTITY. TO THE EXTENT THAT ANY COURT OF COMPETENT JURISDICTION RENDERS JUDGMENT AGAINST DVD CCA NOTWITHSTANDING THE ABOVE LIMITATION, DVD CCA'S TOTAL LIABILITY IN CONNECTION WITH THIS AGREEMENT OR CSS SHALL IN NO EVENT EXCEED THE AMOUNTS OF MONEY RECEIVED BY DVD CCA FROM COMPANY UNDER THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have, by their duly authorized representatives, executed this Agreement as of the date first set forth above.

DVD Copy Control Association, Inc.	
BY:	BY:
John Hoy TITLE: President	NAME:
DATE:	DATE:

EXHIBIT A

Membership Categories

	Number of Specifications requested	
Content Provider		
Authoring Studio		
DVD Disc Replicator		
DVD Disc Formatter Manufacturer]]
DVD Player Manufacturer]]
DVD-ROM Drive Manufacturer]]
DVD Decoder Manufacturer	[]
Descramble Module Manufacturer	[]
Authentication Chip Manufacturer for DVD-ROM Drive	[]
Authenticator Manufacturer for DVD Decoder	[]
Integrated Product Manufacturer	\$	
Reseller		

Please check one or more of membership categories that your COMPANY is selecting in the boxes to the left of each Category. Describe the number of copies of the parts of the CSS Specifications that you require in the brackets on the right-hand side.

NOTE: CSS Specifications are not appropriate for Membership Categories which do not have brackets on the right-hand side.

EXHIBIT B

Contact Person

N	3	m	0.	

Title:

Address:

Telephone Number:

Facsimile Number:

E-mail Address: